**IN THE HIGH COURT OF JUDICATURE AT BOMBAY**

**ORDINARY ORIGINAL CIVIL JURISDICTION**

**INCOME TAX APPLICATION NO.151 OF 1999**
**WITH**
**INCOME TAX APPLICATION NO.152 OF 1999**

The Commissioner of Income tax ..Petitioner.

V/s.

Greaves India Ltd. ..Respondent.

Mr.P.S.Sahadevan with for petitioner in both the applications.

Mr. S.J.Mehta respondent in both the applications.

**CORAM : DR. S.RADHAKRISHNAN AND J.P.DEVADHAR, JJ.**

**DATED : 6TH MARCH, 2007.**

**ORAL JUDGMENT (PER DR.S.RADHAKRISHNAN, J.)**

Heard the learned counsel for the petitioner and the respondent. The above applications were admitted on the following question of law:-

" Whether on the facts and in the circumstances of the case and in law, ITAT was justified in allowing the claim of the assessee i.e. payment of interest on interest ? "

2. The above applications pertain to the assessment years 1987-88 and 1986-87 respectively.

3. Both the learned counsel for the petitioner

and the respondent categorically states that the issue involved in the above applications is squarely covered by the Judgment of our Court in the case of **Sandvik Asia Ltd. V/s. Commissioner of Income-tax** reported in **(2006) 280 I.T.R. 643 (S.C.)** in favour of the assessee and against the revenue.

4. In view thereof, Rule stands discharged.

5. Both the applications are disposed of.

**(DR.S.RADHAKRISHNAN, J.)**

**(J.P. DEVADHAR, J.)**